

# PRESCIENT GLOBAL POSITIVE RETURN FUND (A)

## MINIMUM DISCLOSURE DOCUMENT

### INVESTMENT AND RETURN OBJECTIVE

The Fund aims to outperform G7 inflation in Euro terms over time while aiming to limit capital losses.

### INVESTMENT PROCESS

The Fund invests in money market instruments, capital market instruments and equities with an active asset allocation overlay. The equity component of the Fund is always protected. The Fund is available in Euro, US dollars, Sterling and Rand where the currency risk is hedged back to the pricing currency to reduce currency volatility.

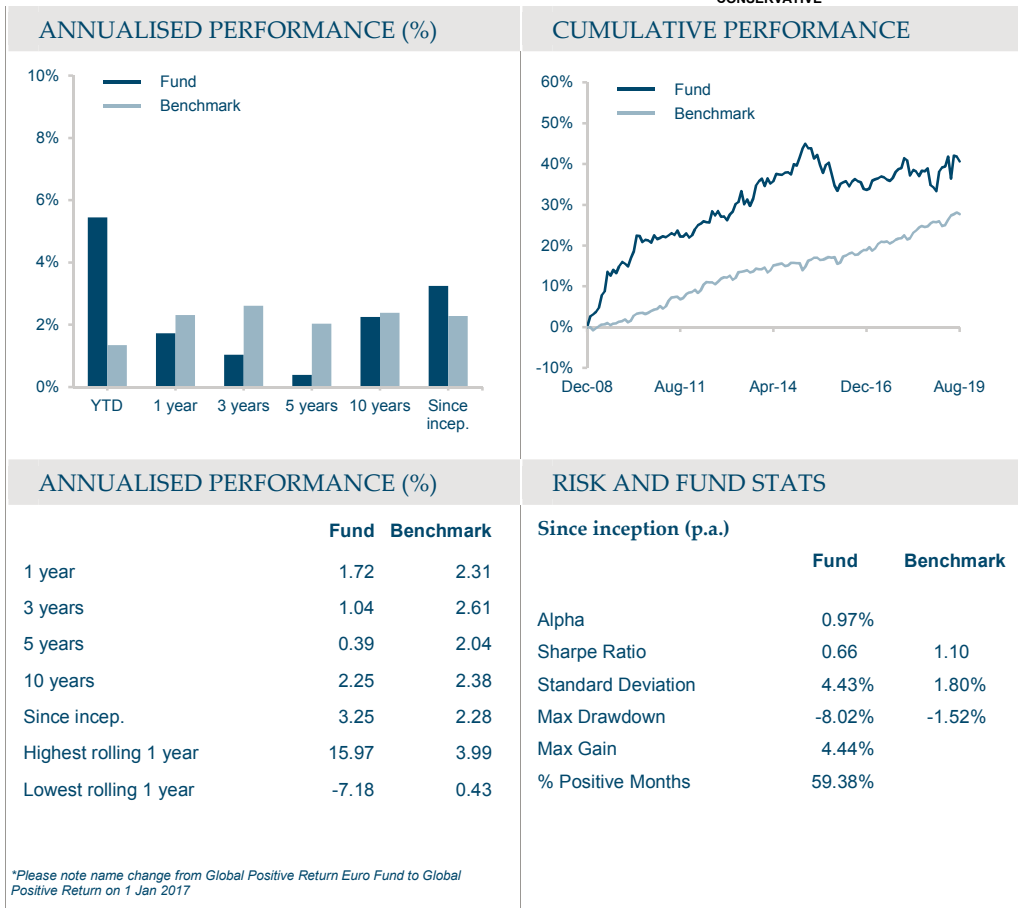
### WHO SHOULD INVEST

Investors seeking a hedge against any rand depreciation while gaining exposure to a risk aware asset allocation offshore fund. This Fund is suitable to investors with a medium to long-term investment horizon.

### RISK INDICATOR DEFINITION

These portfolios typically have moderate equity exposure or in the case of bond funds, longer duration bond exposure, resulting in some capital volatility over the shorter term. They are managed in such a manner that the probability of capital losses over one year periods is unlikely. These portfolios typically target returns in the region of 3% - 4% above inflation over the long term.

## RISK INDICATOR



## FUND COMMENTARY

August was a challenging month for risky assets as global growth slowdown fears intensified. This was particularly evident as the spread between the 10- and 2-year US treasury turned negative. The Sino-US trade spat remains the biggest culprit, with several other geopolitical and global trade concerns that continue to play out on the fringes adding fuel to fire. The wave of global central bank policy easing remains intact. US money markets continue to price in aggressive interest rate cuts over the medium-term after the Federal Open Market Committee (FOMC) delivered the first cut in a decade a month ago. Similarly, local FRA's are pricing in 2 policy rate cuts over the next year or so. What remains to be seen is whether the monetary policymakers have enough ammunition in their policy toolkits to avert the next recession. The portfolio continues to hold a diversified mix of equity optionality across global equity markets, but with the majority being towards EU and US equity markets.

**Contributors to performance:** Equity exposure detracted from performance as hardening trade tensions weighed on risk sentiment.

# PRESCIENT

GLOBAL FUNDS

31 AUGUST 2019

## ABOUT THE FUND

### Fund manager:

Prescient Balanced Team

### Fund classification:

EAA EUR Cautious Allocation - Global

### Benchmark:

EU Harmonised CPI + 1% Lagged

### Fund Size:

EUR19.2 m

### No of units:

2,125,360

### Unit price:

106.40

### Inception date:

31 December 2008

### Minimum Investment:

\$5 000

### Initial Fee:

0.00%

### Annual management fee:

1.00%

### Fee class:

A

### Fee breakdown:

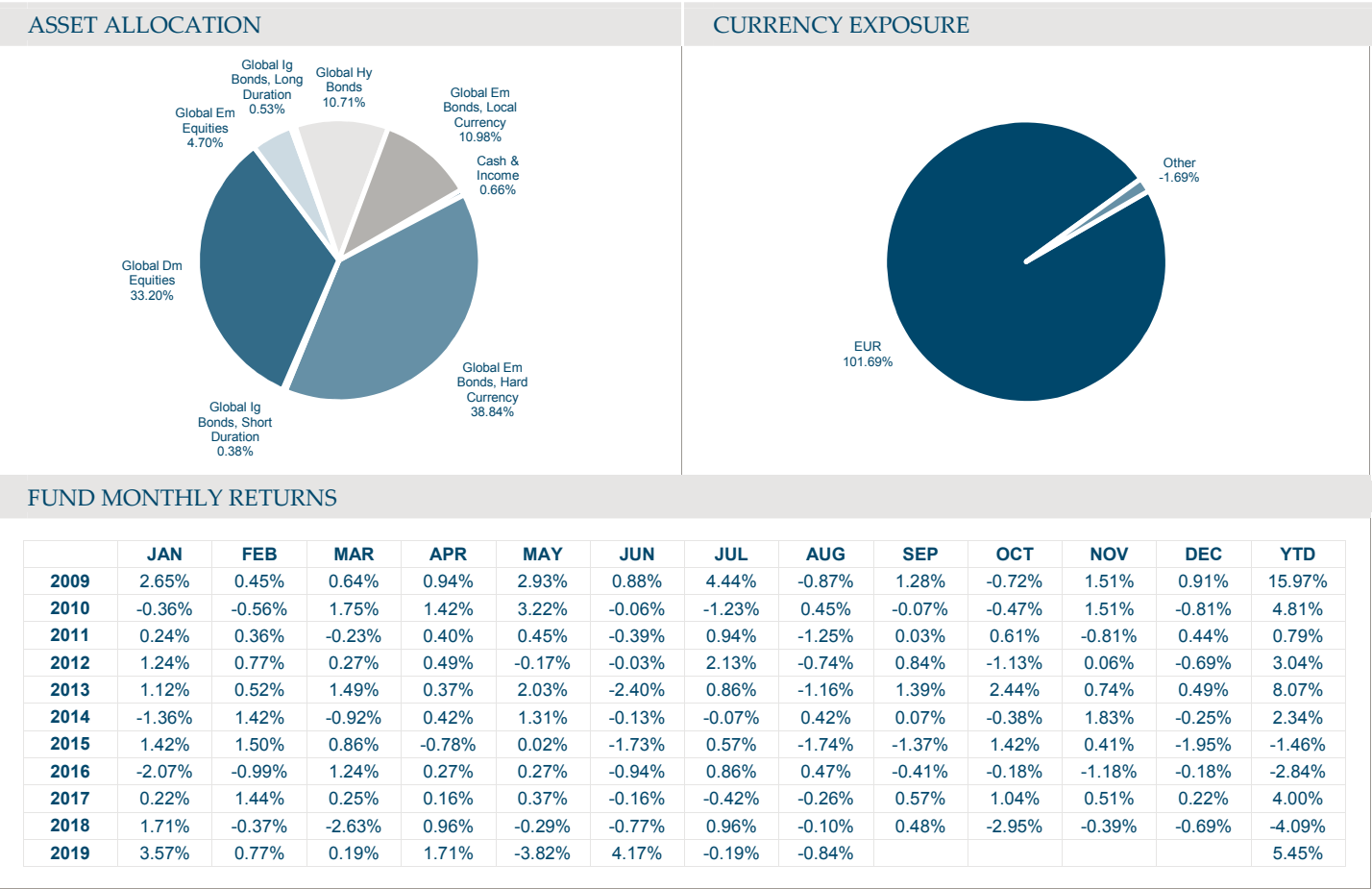
Management Fee	1.00%
Performance Fees	0.00%
Other Fees*	0.23%
<b>Total Expense Ratio (TER)</b>	<b>1.23%</b>

\*Other fees includes underlying fee (where applicable): Audit Fees, Custody Fees, Trustee Fees and VAT

### Income distribution:

31 March 2019 - 0 cpu

# PRESCIENT GLOBAL POSITIVE RETURN FUND (A)



FUND MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2009	2.65%	0.45%	0.64%	0.94%	2.93%	0.88%	4.44%	-0.87%	1.28%	-0.72%	1.51%	0.91%	15.97%
2010	-0.36%	-0.56%	1.75%	1.42%	3.22%	-0.06%	-1.23%	0.45%	-0.07%	-0.47%	1.51%	-0.81%	4.81%
2011	0.24%	0.36%	-0.23%	0.40%	0.45%	-0.39%	0.94%	-1.25%	0.03%	0.61%	-0.81%	0.44%	0.79%
2012	1.24%	0.77%	0.27%	0.49%	-0.17%	-0.03%	2.13%	-0.74%	0.84%	-1.13%	0.06%	-0.69%	3.04%
2013	1.12%	0.52%	1.49%	0.37%	2.03%	-2.40%	0.86%	-1.16%	1.39%	2.44%	0.74%	0.49%	8.07%
2014	-1.36%	1.42%	-0.92%	0.42%	1.31%	-0.13%	-0.07%	0.42%	0.07%	-0.38%	1.83%	-0.25%	2.34%
2015	1.42%	1.50%	0.86%	-0.78%	0.02%	-1.73%	0.57%	-1.74%	-1.37%	1.42%	0.41%	-1.95%	-1.46%
2016	-2.07%	-0.99%	1.24%	0.27%	0.27%	-0.94%	0.86%	0.47%	-0.41%	-0.18%	-1.18%	-0.18%	-2.84%
2017	0.22%	1.44%	0.25%	0.16%	0.37%	-0.16%	-0.42%	-0.26%	0.57%	1.04%	0.51%	0.22%	4.00%
2018	1.71%	-0.37%	-2.63%	0.96%	-0.29%	-0.77%	0.96%	-0.10%	0.48%	-2.95%	-0.39%	-0.69%	-4.09%
2019	3.57%	0.77%	0.19%	1.71%	-3.82%	4.17%	-0.19%	-0.84%					5.45%

# PRESCIENT GLOBAL POSITIVE RETURN FUND (A)

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## GLOSSARY

**Annualised performance:** Annualised performance show longer term performance rescaled to a 1 year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request.

**Highest & Lowest performance:** The highest and lowest performance for any 1 year over the period since inception have been shown.

**NAV:** The net asset value represents the assets of a Fund less its liabilities.

**Current Yield:** Annual income (interest or dividends) divided by the current price of the security.

**CPU:** Cents Per Unit to the Glossary

**Alpha:** Denoted the outperformance of the fund over the benchmark.

**Sharpe Ratio:** The Sharpe ratio is used to indicate the excess return the portfolio delivers over the risk free rate per unit of risk adopted by the fund.

**Standard Deviation:** The deviation of the return stream relative to its own average.

**Max Drawdown:** The maximum peak to trough loss suffered by the Fund since inception.

**Max Gain:** Largest increase in any single month.

**% Positive Month:** The percentage of months since inception where the Fund has delivered positive return.

## Fund Specific Risks

**Default Risk:** The risk that the issuers of fixed income instruments may not be able to meet interest payments nor repay the money they have borrowed. The issuers credit quality is vital. The worse the credit quality, the greater the risk of default and therefore investment loss.

**Derivatives risk:** The use of derivatives could increase overall risk by magnifying the effect of both gains and losses in a Fund. As such, large changes in value and potentially large financial losses could result.

**Developing Market (excluding SA) risk:** Some of the countries invested in may have less developed legal, political, economic and/or other systems. These markets carry a higher risk of financial loss than those in countries generally regarded as being more developed.

**Foreign Investment risk:** Foreign securities investments may be subject to risks pertaining to overseas jurisdictions and markets, including (but not limited to) local liquidity, macroeconomic, political, tax, settlement risks and currency fluctuations.

**Interest rate risk:** The value of fixed income investments (e.g. bonds) tends to be inversely related to interest and inflation rates. Hence their value decreases when interest rates and/or inflation rises.

**% Property risk:** Investments in real estate securities can carry the same risks as investing directly in real estate itself. Real estate prices move in response to a variety of factors, including local, regional and national economic and political conditions, interest rates and tax considerations.

**Currency exchange risk:** Changes in the relative values of individual currencies may adversely affect the value of investments and any related income.

**Geographic / Sector risk:** For investments primarily concentrated in specific countries, geographical regions and/or industry sectors, their resulting value may decrease whilst portfolios more broadly invested might grow.

**Derivative counterparty risk:** A counterparty to a derivative transaction may experience a breakdown in meeting its obligations thereby leading to financial loss.

**Liquidity risk:** If there are insufficient buyers or sellers of particular investments, the result may lead to delays in trading and being able to make settlements, and/or large fluctuations in value. This may lead to larger financial losses than expected.

**Equity investment risk:** Value of equities (e.g. shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g. bankruptcy), the owners of their equity rank last in terms of any financial payment from that company.

# PRESCIENT GLOBAL POSITIVE RETURN FUND (A)

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## DISCLAIMER

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. During the phase in period TERs do not include information gathered over a full year. Transaction Costs (TC) is the percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction cost is a necessary cost in administering the Fund and impacts Fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER.

Where a current yield has been included for Funds that derive its income primarily from interest bearing income, the yield is a weighted average yield of all underlying interest bearing instruments as at the last day of the month. This yield is subject to change as market rates and underlying investments change.

The Manager retains full legal responsibility for any third-party-named portfolio. Where foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks; and potential limitations on the availability of market information. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 13:00 (SA), to be transacted at the net asset value price for that day. Where all required documentation is not received before the stated cut-off time, Prescient shall not be obliged to transact at the net asset value price as agreed to. Funds are priced at either 3pm or 5pm depending on the nature of the Fund. Prices are published daily and are available on the Prescient website.

Performance has been calculated using net NAV to NAV numbers, including actual initial and all ongoing fees, with income reinvested on the reinvestment date. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the manager on request.

For any additional information such as fund prices, brochures and application forms please go to [www.prescient.co.za](http://www.prescient.co.za)

## CONTACT DETAILS

### Management Company:

Prescient Global Funds PLC, **Registration number:** **Physical address:** 49 Upper Mount Street, Dublin 2, Ireland **Postal address:** 33 Sir John Rogerson's Quay, Dublin 2, Ireland **Telephone number:** 00 353 1 676 6959 **E-mail:** [info@prescient.ie](mailto:info@prescient.ie) **Website:** [www.prescient.ie](http://www.prescient.ie)

### Trustee:

NORTHERN TRUST FIDUCIARY SERVICES (IRELAND) LIMITED, **Physical address:** Georges Court, 54 - 62 Townsend Street, Dublin 2, Ireland **Telephone number:** +353 1 542 2000 **Website:** [www.northerntrust.com](http://www.northerntrust.com)

### Investment Manager:

Prescient Investment Management (Pty) Ltd, Registration number: 1998/023640/07 is an authorised Financial Services Provider (FSP 612) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No.37 of 2002). Please be advised that there may be representatives acting under supervision. **Physical address:** Block B, Silverwood, Silverwood Lane, Steenberg

Office Park, Tokai, 7945 **Postal address:** PO Box 31142, Tokai 7966 **Telephone number:** +27 21 700 3600 **Website:** [www.prescient.co.za](http://www.prescient.co.za)

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